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COMMONWEALTH OF VIRGINIA

STATE CORPORATION COMMISSION

AT RICHMOND, FEBRUARY 22, 2002

APPLICATION OF

VERIZON SOUTH INC.

CASE NO. PUC020013

For a change of classification of intraLATA toll service under Plan for Alternative Regulation

ORDER FOR NOTICE

By Order entered December 21, 2000, in Case No. PUC000265, the State Corporation Commission ("Commission") adopted a Plan for Alternative Regulation ("Plan") for Verizon South Inc. ("Verizon South" or "Company"). Under the Plan, the Company's intraLATA toll services are classified in the "BLETS" (Basic Local Exchange Telephone Service) and Discretionary categories and subject to certain pricing limitations.

On February 1, 2002, Verizon South filed tariffs proposing the reclassification of intraLATA toll and related services as "Competitive" under subsection D of the Plan. The Company notes, in the cover letter accompanying the tariff filing, that "competition from a multitude of carriers in today's long distance marketplace is clearly and irreversibly an effective regulator of the price" of its long-distance service.

Accordingly, Verizon South maintains that the service meets the

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¹ Application of Verizon South Inc., 2000 S.C.C. Ann. Rept. 365.

test under its Plan for reclassification. The Company provided notice of its proposal to the Office of the Attorney General and all other certificated interexchange and local exchange companies in the Commonwealth.

NOW THE COMMISSION, having considered the filing and the Company's Plan, is of the opinion that public notice should be given and a period established for the receipt of comments or requests for hearing.

Accordingly, IT IS ORDERED THAT:

- (1) This matter is docketed and assigned Case No. PUC020013.
- (2) On or before March 18, 2002, Verizon South shall publish, as display advertising, in newspapers having general circulation in its service areas, the following notice:

NOTICE TO THE PUBLIC OF A REQUEST BY VERIZON SOUTH INC. TO RECLASSIFY INTRALATA TOLL SERVICES TO "COMPETITIVE" UNDER ITS PLAN FOR ALTERNATIVE REGULATION CASE NO. PUC020013

On February 1, 2002, Verizon South Inc. ("Verizon South" or "Company") filed tariffs with the State Corporation Commission ("Commission") proposing to reclassify intraLATA toll (sometimes called "local toll") services under its Plan for Alternative Regulation to the "Competitive" category. Verizon South asserts that competition from a multitude of carriers for these services is clearly and irreversibly an effective regulator of the services' prices. The reclassification, if approved, will provide Verizon South with freedom to set and change prices for these services.

Copies of the filing may be obtained, at no cost, from the Company's attorney, whose name and address is set out below.

The Petition may also be viewed in the State Corporation Commission's Document Control Center, First Floor, Tyler Building, 1300 East Main Street, Richmond, Virginia.

Any person desiring to submit comments or request hearing upon the proposed reclassification of intraLATA toll services may do so by filing an original and fifteen (15) copies of the comments or hearing request with Joel D. Peck, Clerk of the State Corporation Commission, P.O. Box 2118, Richmond, Virginia 23218, referring to Case No. PUCO20013. A copy of any comment or hearing request must also be served on Lydia Pulley, Esquire, Verizon Virginia Inc., 600 East Main Street, Richmond, Virginia 23219. Comments or hearing requests must be filed on or before April 11, 2002.

VERIZON SOUTH INC.

(3) Comments or requests for hearing on the proposed amendment to the Company's Alternative Regulatory Plan must be filed on or before April 11, 2002, and refer to Case No. PUC020013.